

Message Text

LIMITED OFFICIAL USE

PAGE 01 MANILA 11729 290829Z

ACTION TRSE-00

INFO OCT-01 EUR-12 EA-07 ISO-00 NEA-10 IO-13 AID-05

CIAE-00 COME-00 EB-08 FRB-03 INR-07 NSAE-00

USIA-06 XMB-02 OPIC-03 SP-02 LAB-04 SIL-01 OMB-01

NSC-05 SS-15 STR-04 CEA-01 L-03 H-01 PA-01 PRS-01

/116 W

-----130241 290834Z /15

P R 290737Z JUL 77

FM AMEMBASSY MANILA

TO SECSTATE WASHDC PRIORITY 3017

INFO AMEMBASSY BONN

AMEMBASSY CANBERRA

AMEMBASSY LONDON

AMEMBASSY OTTAWA

AMEMBASSY PARIS

AMEMBASSY TOKYO

AMEMBASSY WELLINGTON

LIMITED OFFICIAL USE MANILA 11729

USADB

FOR NAC AGENCIES

PASS TREASURY FOR BRADFORD

E.O. 11652: NA

TAGS: EAID, EFIN

SUBJECT: REVIEW OF ADB LENDING RATE

REF: (A) TREASURY 77-97, (NOTAL), (B) STATE 166635,

(C) STATE 156569

1. AFTER ALL-DAY HOTLY ARGUMENTATIVE SESSSION ON JULY 28,
BOARD OF DIRECTORS AGREED TO REDUCE BANK'S LENDING RATE FROM
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MANILA 11729 290829Z

8.7 PERCENT TO 8.3 PERCENT. U.S. AND AUSTRALIAN
EXECUTIVE DIRECTORS ASKED THAT MINUTES OF MEETING RECORD
THEIR OPPOSITION TO DECISION. ED FOR CANADA/NORDIC
COUNTRIES AND ALTERNATE DIRECTOR FOR UNITED KINGDOM/
GERMANY ALSO INDICATED VERBAL OPPOSITION. BOARD THEN
AGREED THAT ANY UPWARD ADJUSTMENT IN IBRD RATE AT END
OF THIRD QUARTER WOULD BE APPLIED AUTOMATICALLY TO ADB

RATE AS OF SAME DATE, WHILE ANY DOWNWARD ADJUSTMENT WOULD BE IGNORED. IT WAS ALSO AGREED THAT COMMITMENT CHARGE WOULD BE THOROUGHLY STUDIED EARLY NEXT YEAR IN CONTEXT OF ANNUAL FINANCIAL POLICY REVIEW. SEVERAL ED'S, INCLUDING U.S., SUPPORTED INCREASE IN COMMITMENT FEE NOW.

2. USADB MADE CONSIDERABLE EFFORTS IN PAST FEW DAYS TO OBTAIN SUPPORT OF DONOR COUNTRY DIRECTORS TO COMPROMISE ALONG LINES REFTEL A. SCENARIO WE ADOPTED WAS FOR U.S. TO MAKE STRONG PRESENTATION AT OPENING OF MEETING AND THEN TO ATTEMPT TO GET CONSENSU AROUND COMPROMISE PROPOSAL TO BE OFFERED BY AUSTRALIA AND SUPPORTED BY CANADA AND UK/GERMAN ALTERNATE. TACTIC ALMOST SUCCEEDED AND MANAGEMENT OBVIOUSLY SURPRISED AT EXTENT OF OPPOSITION TO ITS PROPOSAL WHICH IT ADHERED TO STUBBORNLY. HOWEVER, AT AFTERNOON SESSION, WHEN INDIAN DIRECTOR RECOMMENDED COMPROMISES AT 8.3 PERCENT, ALTERNATE DIRECTORS REPRESENTING FRANCE/SWITZERLAND/BELGIUM AND AUSTRIA GAVE THEIR SUPPORT TO INDIAN PROPOSAL ALONG WITH JAPAN/DMC GROUP.
EDMOND

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DEVELOPMENT BANKS, INTEREST RATES
Control Number: n/a
Copy: SINGLE
Sent Date: 29-Jul-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977MANILA11729
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770272-0203
Format: TEL
From: MANILA ADB
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t1977075/aaaaadtj.tel
Line Count: 84
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: b9fb356a-c288-dd11-92da-001cc4696bcc
Office: ACTION TRSE
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 STATE 166635, 77 STATE 156569
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 28-Dec-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1838476
Secure: OPEN
Status: NATIVE
Subject: REVIEW OF ADB LENDING RATE
TAGS: EAID, EFIN, RP, ADB
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/b9fb356a-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009